

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1527 – SB 1692

March 9, 2016

SUMMARY OF ORIGINAL BILL: Requires a court in actions to partition real property to appoint as commissioners three landowners agreed upon by the parties. Otherwise, the parties shall each submit three names, and the court shall randomly select and appoint three commissioners from those names.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (013526): Deletes all language after the enacting clause.

Requires parties to a suit for partition of property, real or personal, to submit three commissioners agreed upon by the parties. The judge shall appoint the commissioners if the parties cannot agree.

The commissioners shall make recommendations to partition the asset among the ownership interests. The court may adopt the recommendations in whole, in part, or reject them entirely.

The property shall be sold at auction or by other means if the commissioners cannot unanimously agree on a fair partition. The proceeds from the sale shall be used to pay the costs of the sale and the costs of the suit, excluding attorneys' fees, prior to proportional division among the parties.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Tennessee Code Annotated § 29-27-114 requires a court to appoint three or more respectable freeholders to make a partition of property when a partition judgement is rendered.

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- The bill as amended requires the parties to a suit for partition to submit three commissioners agreed upon by the parties upon filing the suit. The court appoints the commissioners if the parties cannot agree.
- If the commissioners cannot unanimously agree on a fair partition or any party objects to the commissioners' recommendations, then the property will be sold at auction or by other appropriate means. Proceeds from the sale shall be used to pay the costs of the sale and the suit before the proceeds are proportionally divided among the parties.
- It is assumed that the bill as amended will not significantly impact either state or local expenditures, or the operations of the courts.
- The Administrative Office of the Courts confirms that the bill as amended will not significantly impact court operations.
- The local government sources confirm that the bill as amended will not significantly impact local governments.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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